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STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

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Senate Bill 298 (As Introduced)

Topic: Corporation Fees
Sponsor: Senator Kuipers
Co-sponsors: Senators Bishop, George, Stamas, Garcia, Cropsey, Jelinek, Goschka, and Sanborn
Committee: Senate Economic Development, Small Business and Regulatory Reform

Date Introduced: March 10, 2005

Date of Summary: March 14, 2005

The bill amends the Business Corporation Act to exempt qualified high-technology businesses from fees for additional authorized shares. A corporation may apply to the Department of Labor & Economic Growth for certification that it is exempt from the fees. The certification must be issued annually and separately for each tax year that an exemption is claimed. A corporation with an approved application is exempt from fees for additional authorized shares for either the 8 consecutive tax years following the filing of its articles of incorporation (including the tax year of filing) or the tax years including and following the filing of articles, in which the corporation has less than \$10 million in gross revenues, whichever occurs first. For the first tax year in which a previously exempt corporation does not qualify for the exemption and subsequent tax years, the corporation is required to pay the fees for additional shares authorized after termination of the exemption.

“Qualified high technology business” is defined by reference to the Michigan Economic Growth Authority Act.

The bill takes effect January 1, 2005.